



DECODING TAX REFORM

Advising the Advisor

Friday, 12 October 2018

Upcoming Webinars



Special Webinar: Tax reform 2.0, your business, and AALU's transformation

Tune in **Monday, October 15, at 2:30 p.m. ET** as **AALU President, David Byers**, and **new CEO, Marc Cadin**, share their insights on the impact of tax reform, the upcoming midterms, and opportunities to elevate the profession.

During this special event, David will share how the Tax Cuts and Jobs Act of 2017 has affected his business, detailing challenges his firm overcame to help his clients seize new

opportunities.

Marc will provide perspective on tax reform 2.0, what to look for in November's midterms, and updates on fiduciary threats and growing pressures on distribution.

This webcast is an opportunity to better understand the dynamics in play and how you can use this understanding to deliver more value to your clients.

AALU is transforming to better meet the needs of current and future members. Key to this effort is delivering more value that enhances your effectiveness, and efficiency.

We look forward to your participation and feedback.

[Register Here](#)



**Strategies For Success: Decoding Tax Reform: After the Apocalypse:
Indexed UL Product Development After AG49**

Join us on **Tuesday, October 16th at 12pm ET** for a discussion of the landscape for indexed universal life products after AG49. We are fortunate to be joined by **Stephan Mitchell, the Director of Product Marketing at Pacific Life, as well as Karen Joyner and David Lear, Managing Partners at LifeTrends**. They will discuss various

ways that life insurance companies have approached their own interpretations of AG49, as well as an innovative approach to delivering cutting-edge IUL products.

[Register Here](#)

Beyond the Headlines



Yesterday, Senators reached a deal to advance the nominations of fifteen circuit and district judges. Both the House and Senate are now in recess until November 13th and the campaign for control of Congress is fully and personally joined by all the incumbents.

Election Countdown: There are 25 days until the midterms.

Following the midterms, there is little certainty about what will get done, pending the results of the general election. Republican tax writers are working through the retirement portion of the Tax Reform 2.0 effort, thought to be the bill most likely to be enacted. We expect Chairman Brady to release a technical corrections bill in November and know he hopes to move it through the process before year end.

On government funding, the current continuing resolution (CR) expires December 7th. That CR includes seven of the twelve appropriations bills. Most notably, this includes homeland security, where President Trump could push back on a deal that does not include a significant amount of funding for his Southern border wall. However, the fate of the USMCA trade deal (formerly known as NAFTA) could temper his appetite for a shutdown showdown.

Post Midterms

- [Dems eye ambitious agenda if House flips \(The Hill\)](#)

After eight years as the minority party, Democrats will have a fully loaded to-do list if they take back the House in November. This could include revisiting the Tax Cuts and Jobs Act (TCJA). Rep. Richie Neal (D-MA), who is in line to take the gavel at Ways & Means if power in the House crosses the aisle, noted that conducting hearings on the tax law was near the top of his list of priorities. Other priorities could include shoring up the ACA, reworking Dodd-Frank financial rules, and a deeper look into the finances of President Trump.

- [GOP loads up lame-duck agenda as House control teeters \(The Hill\)](#)

The lame-duck session following the midterm elections could be the Republican's last shot to pass legislation under a unified GOP Congress for at least two years. Accordingly, Republicans are setting out an ambitious blueprint before new members get sworn in. They will focus on tax extenders, technical corrections for last year's TCJA, pending nominations, spending legislation, and the farm bill.

Tax Cut Effects

- [MLB's Pitch to IRS: Let Us in on Tax Law's New Break \(WSJ\)](#)

Analysis of the new section 199A deduction for pass-through businesses continues, with a surprisingly interested party popping up this week: Major League Baseball team owners. Congress included "athletics" on the list of businesses that could not benefit from the new deduction. However, the intention was to prevent a player from creating a limited liability company to claim salary as business income.

- [More Still Disapprove Than Approve of 2017 Tax Cuts \(Gallup\)](#)

Popularity of the TCJA continues to be low, according to a new Gallup poll. 46% of respondents disapprove of the new law, with 39% responding positively. The number remains unchanged from the last reading seven months ago. Additionally, 51% say the tax cuts have not helped them financially.

Bonus Articles - In Case You Missed Them

- [Trump Engaged in Suspect Tax Schemes as He Reaped Riches From His Father \(NYT\)](#)

Deep investigative article from the New York Times detailing the wealth transfer from Fred Trump to his son Donald, that significantly undermines the legend spun about his fortune.

- [My Private Oval Office Press Conference \(NYM\)](#)

Reporter Olivia Nuzzi provides a front row seat to a fantastic Oval Office meeting featuring President Trump, Vice President Pence, John Kelly, Secretary of State Mike Pompeo and Sarah Huckabee Sanders.

YOUR Input Needed - Get Better Content and Value

Remember to take our brief Member Survey to tell us your thoughts, opinions, and experiences so that we can better serve you in the future. Your feedback will translate into a better AALU and it will only take ten minutes of your time. Use the link below to complete the survey.

[Complete Survey Here](#)

Upcoming Events

- **Special Webinar: Tax reform 2.0, your business, and AALU's transformation** | October 15, 2018 | 2:30pm Eastern | Marc Cadin, CEO, David Byers, President | [Register Here](#)
- **Strategies For Success: Decoding Tax Reform: After the Apocalypse: Indexed UL Product Development After AG49** | October 16, 2018 | 12pm Eastern | Stephan Mitchell (Pacific Life), Karen Joyner (LifeTrends), & David Lear (LifeTrends) | [Register Here](#)
- **WIFS 2018 National Conference: Come see Suzy Jacobs, Senior Vice President of Business Development & Marketing, speak on the Leading the Way: An Industry Perspective panel.** October 24 - 26, 2018 | Use promo code **AALU18** when registering to receive the WIFS member rate. [Register Here](#)



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AALU Member

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